

Program A: Administration

Program Authorization: R.S. 39:1527 - 1544

Program Description

The mission of the Administrative Program in the Office of Risk Management (ORM) is to develop, direct, and administer a cost-effective, comprehensive risk

management program for all state agencies, boards and commissions of the State of Louisiana and any other entity for which the state has an equity interest, in order to preserve and protect the assets of the State of Louisiana and to handle and manage all tort litigation against the state.

The goals of the Administrative Program in the Office of Risk Management are:

1. The Office of Risk Management will provide a cost effective self-insurance program for the state consisting of quality multi-line coverages which equal or exceed coverages/services available through the private sector.
2. The Office of Risk Management will provide a comprehensive loss prevention program that will minimize losses and protect the assets of the state.
3. The Office of Risk Management will process all claims in a timely and cost efficient manner.

The Administrative section has primary responsibility for management and direction of the self-insurance program.

The Accounting section is responsible for budget preparation and monitoring, accounts receivable, accounts payable, payroll, issuance and payment of all contracts, all financial reporting functions, premium development, tracking and exposure and experience data, oversight of the computerized claims system and compilation of various statistical data.

The Underwriting Unit is responsible for issuing insurance policies and certification for state agencies insurance coverage, administering the solicitation process for securing of excess coverage, maintaining computerized records for values of real property and contents of the state, and maintaining computerized records of premiums billed to state agencies.

The Loss Prevention Unit is responsible for investigation and identification of risks and loss prevention training of state work force.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 2000-2001	ACT 32 2001-2002	EXISTING 2001-2002	CONTINUATION 2002-2003	RECOMMENDED 2002-2003	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	35,004	35,004
Fees & Self-gen. Revenues	7,047,793	7,637,624	7,637,624	8,356,918	8,354,099	716,475
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	\$7,047,793	\$7,637,624	\$7,637,624	\$8,356,918	\$8,389,103	\$751,479
EXPENDITURES & REQUEST:						
Salaries	\$4,359,558	\$4,573,272	\$4,573,272	\$4,697,529	\$4,812,842	\$239,570
Other Compensation	116,393	137,015	137,015	137,015	137,015	0
Related Benefits	864,884	968,712	968,712	1,124,528	1,097,446	128,734
Total Operating Expenses	1,381,765	1,396,374	1,396,374	1,057,026	903,391	(492,983)
Professional Services	79,166	77,500	77,500	77,500	77,500	0
Total Other Charges	153,597	382,171	382,171	1,190,123	1,287,712	905,541
Total Acq. & Major Repairs	92,430	102,580	102,580	73,197	73,197	(29,383)
TOTAL EXPENDITURES AND REQUEST	\$7,047,793	\$7,637,624	\$7,637,624	\$8,356,918	\$8,389,103	\$751,479
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	128	128	128	128	128	0
Unclassified	0	0	0	0	0	0
TOTAL	128	128	128	128	128	0

SOURCE OF FUNDING

This program is funded from premiums billed for insurance provided by this office and from interest earnings from the self insurance fund. State and Quasi-State agencies obtain insurance from the Office of Risk Management.

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$7,637,624	128	ACT 32 FISCAL YEAR 2001-2002
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$0	\$7,637,624	128	EXISTING OPERATING BUDGET - December 20, 2001
\$0	\$62,664	0	Annualization of FY 2001-2002 Classified State Employees Merit Increase
\$0	\$77,746	0	Classified State Employees Merit Increases for FY 2002-2003
\$0	\$16,564	0	Risk Management Adjustment
\$0	\$73,197	0	Acquisitions & Major Repairs
\$0	(\$102,580)	0	Non-Recurring Acquisitions & Major Repairs
\$0	(\$508)	0	Legislative Auditor Fees
\$0	\$558,538	0	Rent in State-Owned Buildings
\$0	(\$106,455)	0	Maintenance of State-Owned Buildings
\$0	\$1,312	0	UPS Fees
\$0	\$24,086	0	Salary Base Adjustment
\$0	\$108,524	0	Attrition Adjustment
\$0	(\$50,832)	0	Salary Funding from Other Line Items
\$0	\$77,434	0	Group Insurance Adjustment
\$0	(\$23,800)	0	Other Non-Recurring Adjustments - Operating Expenses
\$0	\$35,004	0	Other Adjustments - Capital Park Security
\$0	\$8,388,518	128	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$8,388,518	128	BASE EXECUTIVE BUDGET FISCAL YEAR 2002-2003
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$8,388,518	128	GRAND TOTAL RECOMMENDED

PROFESSIONAL SERVICES

\$77,500 Tillinghas, Nelson & Warren professional services auditing contract

\$77,500 TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$68,171	Salary and personnel and related benefits for Attorney General employees
\$78,610	Treasurer's Office and Legal Cost for DOA's general counsel
\$166,143	Rent in state owned buildings

\$312,924 SUB-TOTAL OTHER CHARGES

Interagency Transfers:

\$71,276	Risk Management Adjustment
\$44,939	Legislative Auditor Fees
\$748,481	Rent in state owned buildings
\$6,362	Maintenance of state owned buildings
\$6,141	UPS Fees
\$62,000	OTM Fees
\$35,004	Capital Park Security

\$974,203 SUB-TOTAL INTERAGENCY TRANSFERS

\$1,287,127 TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

\$50,000	Replacement of two (2) state vehicles
\$17,197	Acquisition of ten (10) PC's Monitor and Systems
\$6,000	Acquisition of one (1) laser printer
\$73,197	TOTAL ACQUISITIONS AND MAJOR REPAIRS